

Section 2

Ideas for AB 327's requirement
for: “specific alternatives designed
for growth among residential
customers in disadvantaged
communities”



One alternative: Designing NEM 2.0 tariff/contract to encourage participation in DACs

- NEM tariff or contract alternative that maintains the highest possible value proposition for interconnected solar projects in disadvantaged communities.
- This customer group benefits the most from a NEM tariff and would be the most disadvantaged by reduction in the value proposition.
- This will help, in part, address some of the financial barriers that low-income homeowners in DACs face and could also address some subsection of renters.
- Without continued price support, low-income families will remain on the sidelines of the clean energy economy.



One alternative: Designing NEM 2.0 tariff/contract to encourage participation in DACs

GRID recommends, at a minimum, the following customer segments be eligible for a specific NEM tariff/contract alternative:

1. All SASH and MASH Program participants.
2. All CARE-eligible customers.
3. Customers located in the SB535-eligible disadvantaged communities as identified by CalEnviroScreen 2.0

And Consider other options including:

- IRS's Qualified Census Tracts
- Targeted Employment Areas
- Others

GRID supports adopting a definition that is broad, so as not to exclude populations where an alternative NEM tariff/contract is necessary to realize solar adoption.



One alternative: Designing NEM 2.0 tariff/contract to encourage participation in DACs

- GRID supports other options for DACs as well, and ultimately would like to see a suite of options developed that take into account the barriers to participation and include specific alternatives for both homeowners and renters.
- Given the inherent and significant financial and logistical barriers already, preserving NEM 2.0 for this customer segment at as close to its existing structure as possible is one tool to implement that can help ensure growth. Additional price support and financing programs will still be needed.
- Low-income solar and renewables programs can have far-reaching benefits in DACs; and, California has lead the nation by setting inclusion and access to solar for all communities as a policy objective in AB 327 and in other legislation.